

City of Columbus, Ohio

Table 13

Sewer Enterprise Revenue Bond Coverage (1) Sewer System Revenue Refunding Bonds Series 1992 (2) and 1994 1992 (inception) through 2001

(in thousands, except coverages)

Line	As defined in indenture	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001
A	Gross revenue, including interest	\$ 93,575	107,407	112,574	117,906	116,972	121,695	129,084	121,110	121,058	119,237
B	O & M expenses, net of depreciation	(45,902)	(47,598)	(51,581)	(50,232)	(48,549)	(50,613)	(54,226)	(55,786)	(54,153)	(59,568)
C	Net revenues (A - B)	<u>47,673</u>	<u>59,809</u>	<u>60,993</u>	<u>67,674</u>	<u>68,423</u>	<u>71,082</u>	<u>74,858</u>	<u>65,324</u>	<u>66,905</u>	<u>59,669</u>
D	System reserve fund at January 31	27,266	24,364	19,000	24,000	37,000	50,000	60,306	72,000	66,647	66,562
E	O & M expense reserve requirement (B x 10%)	(4,590)	(4,760)	(5,158)	(5,023)	(4,855)	(5,061)	(5,423)	(5,578)	(5,415)	(5,967)
F	System reserve fund available (D - E)	<u>22,676</u>	<u>19,604</u>	<u>13,842</u>	<u>18,977</u>	<u>32,145</u>	<u>44,939</u>	<u>54,883</u>	<u>66,422</u>	<u>61,232</u>	<u>60,595</u>
G	Adjusted net revenue (C + F)	<u>\$ 70,349</u>	<u>79,413</u>	<u>74,835</u>	<u>86,651</u>	<u>100,568</u>	<u>116,021</u>	<u>129,741</u>	<u>131,746</u>	<u>128,137</u>	<u>120,264</u>
H	Revenue bond principal	\$ 4,545	6,335	6,715	1,625	1,705	7,620	8,015	8,435	8,890	9,380
I	Revenue bond interest	8,902	10,308	9,902	9,581	9,297	9,146	8,652	8,064	8,091	6,902
J	General obligation bond principal	14,091	15,349	15,366	18,181	18,106	17,253	17,698	18,320	19,993	20,417
K	General obligation bond interest	21,642	19,849	17,924	15,914	14,708	13,519	13,672	13,656	12,401	11,152
L	General obligation note interest	-	-	2	3	-	-	27	-	-	18
M	OWDA/EPA principal	822	1,552	2,102	2,190	2,922	3,053	5,326	5,604	5,961	7,598
N	OWDA/EPA interest	<u>886</u>	<u>1,065</u>	<u>1,921</u>	<u>1,989</u>	<u>2,467</u>	<u>2,336</u>	<u>5,027</u>	<u>4,826</u>	<u>4,727</u>	<u>6,199</u>
O	Total debt service (H - N)	<u>\$ 50,888</u>	<u>54,458</u>	<u>53,932</u>	<u>49,483</u>	<u>49,205</u>	<u>52,927</u>	<u>58,417</u>	<u>58,905</u>	<u>60,063</u>	<u>61,666</u>

Rate covenant tests:

Adjusted net revenues vs. total debt service

Required ratio of lines G ÷ O	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Actual ratio of lines G ÷ O	1.38	1.46	1.39	1.75	2.04	2.19	2.22	2.24	2.13	1.95	

Adjusted net revenues vs. revenue bond debt service

Required ratio of lines G ÷ (H + I)	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25	1.25
Actual ratio of lines G ÷ (H + I)	5.23	4.77	4.50	7.73	9.14	6.92	7.78	7.99	7.55	7.39	

Bond reserve requirement test:

Adjusted net revenues vs. revenue bond debt service

Required ratio of lines G ÷ (H + I)	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50	1.50
Actual ratio of lines G ÷ (H + I)	5.23	4.77	4.50	7.73	9.14	6.92	7.78	7.99	7.55	7.39	

(1) The Sewer System Refunding Bonds Series 1992 and 1994 require three coverage tests. Two rate covenant tests determine if the City is required to increase user rates or engage an independent engineer to assist in determining adequate rates. The bond reserve requirement test determines whether the City will be required to establish debt service reserve funds. The City has exceeded all coverage requirements.

(2) The 1992 bonds were called for redemption by the Trustee on June 1, 2002. These 1992 bonds were refunded (a current refunding) on April 2, 2002 with bonds requiring the same coverage tests. See Note G, Subsequent Event.

Source: City of Columbus, Ohio, City Auditor.